

# Combined Heat and Power Technical Guidelines Workshop



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April 13, 2009

# Feed-in Tariffs

- Creates a Feed-in Tariff (FiT) for a facility up to 20 MW that is *new/repowered*
- Goal is to create an incentive that will size on-site generation efficiently (promoting thermal match) to maximize use of waste heat
- Allows the facility to sell excess electricity generated
- Staff Proposal released and workshop held in February
- Collaborating with CEC on efficiency matters and other terms & conditions
- Phase II – develop “pay as you save” pilot program
- Established by AB 1613 and modified by AB 2791
- R08-06-024

# Initial Staff Proposal for FiT

- In February 2009, CPUC introduced a staff straw proposal on what a draft contract could look like
  - Price
  - Interconnection
  - Green Attributes
  - Misc. Terms and Conditions
- Parties submitted comments and CPUC held workshop discussing the proposal

# Feed-in Tariff Clarifications

- A CHP Facility that signs up for this FiT **does not** need to sign up as a Qualifying Facility
- Since the CHP facility that signs up for the FiT is need not be a QF, the pricing structure need not be the same as QF pricing
  - For further information, see CEC-300-2008-009D

# Topics Currently Being Considered

- Terms and Conditions
- Pricing
- Further Simplifications for Small Units
- Definition of “indifference” in this context
  - Can this be different than QF “avoided cost” and how?
- Definition of “benefitting customer”
- Program Cap
- Continued coordination of topics with other FiTs currently under development at CPUC

# **Timeline for CPUC proceeding**

- Parties meet on contract terms – April-May
- Parties File proposed revisions – May 15
- Comments on proposed revisions – May 29
- Parties Comments on Issues – June 1
- Reply Comments on Issues – June 15
- Final ED Proposal – July 8
- Proposed Decision – September/October
- Final Decision – November

# New Policy Framework for CHP

- Several barriers exist to increase CHP penetration
  - Informed by discussion held by ARB Scoping Plan, ARB work group meetings and info gathered here
  - Also addressed in D08-10-037
- Feed-in Tariffs will be a part of this new framework
- New OIR on CHP on these issues
  - Achieve policy targets set by the Scoping Plan and other policy drivers
  - Policy framework to be developed in 2009-10; Implementation in 2010

# CHP OIR Vision

	Small ( $<20$ MW)	Large ( $> 20$ MW)
New/ Repowered	<i>Feed-in Tariff</i>	<i>CHP OIR</i>
Existing	<i>CHP OIR</i>	<i>CHP OIR</i>

***\* Information is subject to change***



# **Questions? Clarifications? Please Contact:**

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